HOMEBUYING GUIDE

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Harborstone® Credit Union

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START WITH A PLAN

FIND A HOME THAT FITS YOUR LIFE AND YOUR BUDGET

Buying a home is a big decision. It's about finding a place to put down roots, build memories, and make your own. It's also one of the biggest financial commitments you'll make.

The right home should fit your lifestyle without stretching your budget too thin. Before you start looking, take stock of your finances, set your priorities, and get clear on what you can comfortably afford.

A little preparation now can make the entire homebuying process easier.

YOUR ROAD MAP TO HOME OWNERSHIP

This guide walks you through finding the right home, understanding your financing options and navigating the buying process, so you can move forward with confidence.

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HOUSE HUNTING

FIND A HOME THAT WORKS FOR YOU

The right home isn't always the one that checks every box. It's the one that fits your budget, meets your priorities, and makes sense for the way you live. Knowing what matters most before you start looking can make the search easier and help you recognize a good fit.



7 THINGS TO CONSIDER
BEFORE YOU BUY

1 LOCATION MATTERS

Consider your commute, neighborhood safety, nearby schools, and access to the places you visit most. You can change a house, but you can't change its location.

2 PLAN FOR WHAT'S NEXT

Think about how your needs might change over the next few years. A home that works today should also have room for your future plans. (Homeowners should generally plan to stay in their homes for at least four or five years to break even on closing costs and other fees, but this timeline will vary based on your purchase and financing circumstances.)

3 SEPARATE NEEDS FROM WANTS

Make a list of your must-haves and nice-to-haves. Prioritize the features that matter most, and stay flexible on the rest.

4 LOOK BEYOND APPEARANCES

A great kitchen or fresh coat of paint can make a strong first impression, but everyday function matters. Pay attention to storage, parking, laundry access, and the layout.

5 BE REALISTIC ABOUT UPKEEP

A large yard or extra bedrooms might sound appealing, but they also mean more work. Choose a home that fits the lifestyle you want to maintain.

6 COUNT THE ONGOING COSTS

Look beyond the purchase price. Property taxes, insurance, utilities, Homeowners Association (HOA) fees and potential repairs all affect what you can comfortably afford.

7 THINK ABOUT RESALE

Your needs may change down the road. Location, property condition, and features that appeal to a range of buyers can influence how easily you can sell your home.

MAKE YOUR MUST-HAVE LIST

Before you start touring homes, identify your top priorities.

MUST-HAVES: Features you aren't willing to compromise on.
NICE-TO-HAVES: Features you'd enjoy but could live without.
DEAL-BREAKERS: Conditions or limitations that would make a home the wrong fit.

Use this list to organize what's most important, and where you can be flexible.

Keep your list handy as you tour homes. It's a simple way to stay focused when a property catches your eye.

Ideal Area _____

Price Range _____ To _____

CONSTRUCTION & LAYOUT	RATE IMPORTANCE 1 – 5				
# of Stories _____	1	2	3	4	5
Age _____ to _____	1	2	3	4	5
Sq. Ft. _____ to _____	1	2	3	4	5
Style _____	1	2	3	4	5
Open Floor Plan	1	2	3	4	5
Large Foyer/Entryway	1	2	3	4	5
Extra Living Space	1	2	3	4	5
Formal Dining Room	1	2	3	4	5
Gourmet Kitchen	1	2	3	4	5
Kitchen Island	1	2	3	4	5
Eat-In Kitchen	1	2	3	4	5
Laundry Room	1	2	3	4	5
Master Suite	1	2	3	4	5
Office/Den	1	2	3	4	5
Sunroom	1	2	3	4	5
Finished Basement	1	2	3	4	5
Unfinished Basement	1	2	3	4	5

EXTERIOR	RATE IMPORTANCE 1 – 5				
Brick/Stone Exterior	1	2	3	4	5
Fenced Yard	1	2	3	4	5
Fire Pit/Grill	1	2	3	4	5
Front Porch	1	2	3	4	5
Garden Space	1	2	3	4	5
Preferred View	1	2	3	4	5
Patio/Deck	1	2	3	4	5
Pool	1	2	3	4	5
Shed	1	2	3	4	5
Updated Windows/Roof	1	2	3	4	5
Yard Size _____	1	2	3	4	5

ROOM COUNT	RATE IMPORTANCE 1 – 5				
# of Bedrooms _____	1	2	3	4	5
# of Bathrooms _____	1	2	3	4	5
# of Garage Stalls _____	1	2	3	4	5

UTILITIES & APPLIANCES	RATE IMPORTANCE 1 – 5				
All Appliances Included	1	2	3	4	5
Built-In Microwave	1	2	3	4	5
Central Air	1	2	3	4	5
Forced Air/Radiant Heat	1	2	3	4	5
Energy Efficient	1	2	3	4	5
Fireplace	1	2	3	4	5
Gas/Electric	1	2	3	4	5
Garbage Disposal	1	2	3	4	5
Security System	1	2	3	4	5
Upgraded Appliances	1	2	3	4	5
Water Softener	1	2	3	4	5
Whole-house Generator	1	2	3	4	5

AMENITIES	RATE IMPORTANCE 1 – 5				
Garden/Jet Tub	1	2	3	4	5
Double Sinks	1	2	3	4	5
Pantry	1	2	3	4	5
Surround Sound	1	2	3	4	5
Updated Fixtures/Hardware	1	2	3	4	5
Walk-In Closet	1	2	3	4	5
Spa	1	2	3	4	5
Workshop	1	2	3	4	5

OTHER	RATE IMPORTANCE 1 – 5				
_____	1	2	3	4	5
_____	1	2	3	4	5



FIND YOUR KIND OF

NEIGHBORHOOD

THE RIGHT LOCATION MAKES A GOOD HOME EVEN BETTER

A home is more than what's inside its walls. The surrounding neighborhood shapes your daily routine, so take time to explore the area before making an offer.

YOUR NEIGHBORHOOD CHECKLIST

Think about which of these factors matter most to you.

EVERYDAY ESSENTIALS

- ☐ Commute to work or school
- ☐ Grocery stores, pharmacies, and medical care
- ☐ Highway access and public transportation
- ☐ Reliable internet and cell service

LIFESTYLE AND RECREATION

- ☐ Restaurants, coffee shops, and local businesses
- ☐ Parks, trails, and outdoor recreation
- ☐ Entertainment, fitness centers, and other activities
- ☐ Walkability and bike-friendly routes

NEIGHBORHOOD CONSIDERATIONS

- ☐ School ratings and district boundaries
- ☐ Traffic, noise, and overall atmosphere
- ☐ Privacy and proximity to neighbors
- ☐ HOA fees, rules, and local restrictions

GET TO KNOW THE NEIGHBORHOOD

Visit at different times of day, including evenings and weekends. Check commute times; check out nearby amenities; and talk with people who live in the area. A little firsthand research can reveal things you won't find in a property listing.

DIVE INTO YOUR

MORTGAGE OPTIONS



THE RIGHT LOAN STARTS WITH THE RIGHT FIT

There's more than one way to finance a home. Your down payment, financial situation, and long-term plans can all influence which mortgage makes sense for you.

Harborstone offers a range of home loan options, backed by local loan officers who can walk you through the details and help you compare your choices.

NOT SURE WHICH LOAN IS RIGHT FOR YOU?

You don't need to figure it out on your own. A Harborstone loan officer can help you compare:

- Down payment and credit requirements
- Closing costs and mortgage insurance
- Interest rates and monthly payments
- Eligibility for specialized loan programs

The goal is to find financing that fits your budget and your plans, both today and down the road.

FIND A LOAN THAT FITS YOUR PLANS

FOR PREDICTABLE PAYMENTS

- **FIXED-RATE MORTGAGE:** Your interest rate stays the same for the life of the loan, providing consistent principal and interest payments.
- **ADJUSTABLE-RATE MORTGAGE (ARM):** This typically starts with a fixed rate for a set period; then adjusts according to the loan terms. This is worth exploring if you expect to move or refinance before the initial fixed-rate period ends.

FOR LOWER DOWN PAYMENTS AND FLEXIBLE QUALIFICATIONS

- **FHA LOAN:** Government-insured financing with a low down payment requirement and flexible credit qualifications
- **FANNIE MAE HOMEREADY®:** Offers low down payment options and flexible funding sources for eligible borrowers of low to middle income
- **FREDDIE MAC HOME POSSIBLE®:** Provides low down payment options and flexible sources of funds for eligible borrowers

FOR SPECIFIC PROPERTIES AND HOMEBUYERS

- **VA LOAN:** Offers favorable financing terms for eligible veterans, service members, and certain surviving spouses
- **USDA/RURAL DEVELOPMENT LOAN:** Provides financing for eligible buyers purchasing homes in qualifying rural and suburban areas
- **JUMBO LOAN:** Finances properties that require loan amounts above conforming loan limits
- **SUPER CONFORMING LOAN:** Provides financing above standard conforming loan limits, within the higher limits established for designated high-cost areas
- **CONSTRUCTION LOAN:** Our construction-to-permanent option combines construction financing and your permanent mortgage into one approval and one closing



YOUR ROAD MAP TO

HOME OWNERSHIP



FROM APPLICATION TO CLOSING, HERE'S WHAT TO EXPECT

Buying a home involves several steps, but knowing what comes next makes the process easier. Your Harborstone loan officer will guide you through the financing process and keep you informed along the way.



MILE 1

APPLY AND GET PREAPPROVED

Start your Harborstone mortgage application online at your convenience, and select a loan officer familiar with the area where you're buying.

During the application, you'll:

- Provide your personal information and authorize a credit check.
- Share employment, income, asset, and debt information.
- Provide property details, if you already have a home in mind.
- Review available mortgage programs with your loan officer.
- Answer any additional questions needed to complete your application.
- Review your information and submit your application.

GET A HEAD START

Having a few things handy can make the application process easier. See a full documents checklist on page 11.

- Recent pay stubs and income information
- Bank and investment account details
- Tax returns, if required
- Current mortgage information, if applicable
- Information about existing loans and other debts

Your loan officer will let you know which supporting documents are required and review your qualifications and loan options with you.

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MILE 2

FIND A HOME

Connect with a real estate agent, share your priorities, and provide your preapproval letter. Once you find the right property, your agent can guide you through making an offer and signing a purchase agreement.

MILE 3

FINALIZE YOUR HOME

After your offer is accepted, you'll receive a Loan Estimate and initial disclosures. Review and sign the required documents; discuss your interest rate lock options; and provide any additional information needed to complete your loan.

MILE 4

COMPLETE UNDERWRITING AND APPRAISAL

An underwriter will review your financial information and loan qualifications, while a licensed appraiser assesses the property's value.

You may be asked to provide additional documents. If the appraisal comes in below the purchase price, your real estate agent and loan officer can help you understand your options.

MILE 5

GET READY TO CLOSE

Once your loan receives final approval, you'll schedule your closing and receive your Closing Disclosure at least three business days before closing.

Review your final costs and follow your closing team's instructions for providing any funds due.

MILE 6

CLOSE YOUR HOME

Bring your required identification; review and sign your closing documents; and complete any remaining steps. Once the transaction is finalized and you're authorized to take possession, your new home is officially yours.

YOUR PERSONAL APPLICATION INFORMATION

LOAN OFFICER INFORMATION

NAME

EMAIL ADDRESS

PHONE NUMBER

APPLICATION PORTAL INFORMATION

USERNAME (EMAIL)

PASSWORD

For privacy and security, we suggest using a password manager or write only nonidentifying hints.

HOME INSPECTION

KNOW WHAT YOU'RE BUYING BEFORE YOU COMMIT

A home may look great on the surface, but it's important to understand its condition before moving forward. A professional home inspection can uncover potential problems, identify needed repairs, and give you a clearer picture of what you're buying.

Review the inspection report carefully, and ask questions about anything you don't understand. Your real estate agent can help you evaluate the results and discuss your options before you move forward.

Property Address _____ Date of Visit _____

QUESTION	ANSWER
How old are the roof and windows? How many years should they have left before they need to be replaced?	
Are there any signs of current or previous water damage?	
How old is the plumbing and wiring? Do they meet current codes? Will I be required to bring them up to code if I want to do any home remodeling?	
When was the last time the septic tank was pumped and the well checked (if the property has either)?	
Is there an electric garage door installed? Will my vehicles fit in the garage?	
What is the potential for resale with this home and within this neighborhood?	
What did the house last sell for? What improvements have the current owners completed since the house sold at that price?	
How long has the home been on the market this time? Have the current owners placed the home for sale previously?	
Are there any issues with the foundation or basement?	
Can I get a copy of the average utility costs?	
What are the annual property taxes?	
Are there any reported issues with the home? Are there any known repairs needed or suspected?	
Will this home require flood insurance or any additional considerations?	
What are the neighbors like? What are the pros and cons of this neighborhood?	
When do the sellers plan to move?	

DON'T BE AFRAID TO ASK

No question is too small when you're making a major investment. Use the list above to make sure you have the information you need to make a confident decision.



YOUR MORTGAGE

DOCUMENT CHECKLIST

GET ORGANIZED BEFORE YOU APPLY

Having your documents ready can keep your mortgage application moving and prevent unnecessary delays. Use the checklist below to gather what you'll need. Your loan officer will let you know if additional documentation is required.

REQUIRED DOCUMENTS

- ☐ Copy of driver's license for each borrower
- ☐ Most recent pay stub showing year-to-date (at least 30 days) earnings
- ☐ W2s for last 2 years
- ☐ All pages of most recent asset statements covering 2 full months
- ☐ All pages of complete signed and dated federal tax returns, including all schedules — 2 years
- ☐ Most recent 401k/retirement statement — all pages
- ☐ Purchase agreement signed by all parties (for purchase transactions)
- ☐ Copy of last mortgage statement (for refinancing)

OTHER

- ☐ _____
- ☐ _____
- ☐ _____
- ☐ _____

IF APPLICABLE

- ☐ Social Security income award letter
- ☐ Pension/retirement award letter
- ☐ Disability income award letter
- ☐ Completed gift letter signed and dated by gift source and all borrowers
- ☐ Divorce decree — all pages
- ☐ Proof of child support
- ☐ Commissioned employee — 2 years of personal federal tax returns and corresponding W2s

SELF-EMPLOYED BORROWERS

- ☐ Most recent 2 years of business and personal federal tax returns — all schedules
- ☐ Most recent profit and loss statement (each business) signed by CPA
- ☐ Most recent 3 months of business account statements — all pages

KEEP YOUR MORTGAGE ON TRACK



A FEW SMART MOVES CAN PREVENT DELAYS BEFORE CLOSING

Your financial situation matters throughout the mortgage process, not just when you apply. Keeping things consistent and staying in touch with your Harborstone loan officer can make the road to closing smoother.

WHEN IN DOUBT, CHECK FIRST

Life doesn't stop while you're buying a home. If something changes or an unexpected expense comes up, contact your loan officer before making a financial move that could affect your loan. A quick conversation now can prevent complications later.

WHAT TO DO

STAY CURRENT ON YOUR BILLS

Continue making all payments on time.

KEEP YOUR FINANCES ORGANIZED

Save pay stubs, account statements, and records of significant financial transactions. Be prepared to provide updated documents if requested.

STICK TO YOUR BUDGET

Keep your purchase price and down payment in line with your preapproval.

PLAN FOR HOMEOWNERS INSURANCE

Compare coverage and costs early, and budget for any premium due at closing.

STAY IN TOUCH

Check your email regularly; respond promptly to requests; and report any changes to your finances, employment, or purchase agreement.

WHAT TO AVOID

TAKING ON NEW DEBT

Hold off on new credit cards, vehicle loans, financed purchases, and co-signing until after closing.

MAKING EMPLOYMENT CHANGES WITHOUT CHECKING FIRST

A new job or change in income can affect your loan approval.

MOVING MONEY WITHOUT DOCUMENTATION

Large deposits, cash sales, gift funds, and transfers between accounts may require additional verification.

OPENING OR CLOSING FINANCIAL ACCOUNTS

Check with your loan officer before making changes to your bank, investment, or retirement accounts.

SCHEDULING YOUR MOVE TOO SOON

Closing dates can change. Wait until your closing is confirmed before making arrangements that are difficult to reschedule.

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